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April 17, 2015

CSLB #15-16

## CSLB Finds Online Trove of Unlicensed Contractors in Alameda County

*Web search provides investigators plenty of leads for Union City sting operation; seven cited*

**SACRAMENTO** – Investigators from the [Contractors State License Board](http://www.cslb.ca.gov) (CSLB) didn't have to look far to find suspected unlicensed contractors advertising their services in Union City. Two online publications, PennySaver and craigslist.org, provided investigators with more than enough leads, resulting in seven citations being issued for illegal contracting violations during an undercover sting operation on April 15, 2015.

Coordinated by CSLB's [Statewide Investigative Fraud Team](#) (SWIFT), the sting took place at a duplex in the east Bay Area community, with the help of the [Alameda County District Attorney's Office](#). The online publications were packed with ads from unlicensed contractors offering services for the types of projects that typically cost more than \$500 in combined labor and material costs – the legal limit before a contractor license is required in California.

"There are many legitimate contractors who advertise their services using online publications," said [CSLB Registrar Cindi A. Christenson](#). "Unfortunately, consumers must watch out on those sites for unlicensed contractors who are not qualified for the work skills they are advertising."

One tip-off to trouble is an ad that offers to perform an extensive project, such as a kitchen or bathroom remodel, that clearly will cost more than \$500 to complete, and requires expertise far beyond handyman-type work.

At the Union City sting, the seven unlicensed individuals bid for landscaping, tile, and interior and exterior painting jobs. Bids ranged from \$2,500 for painting to \$5,500 for a re-tiling project that only included labor. None of the suspects had the contractor licenses needed to provide bids on such a scale, and they were cited for contracting without a license ([Business and Professions Code section 7028](#)). They also will face an additional charge of illegal advertising ([Business and Professions Code section 7027.1](#)).

In addition, one man was cited for requesting an excessive down payment to start work ([Business and Professions Code section 7159.5](#)). In California, a home improvement project down payment cannot exceed 10 percent of the contract total or \$1,000, whichever is less. Another suspect was cited for using a bogus contractor license number ([Business and Professions Code section 7027.3](#)), and not having workers' compensation insurance for an employee ([Labor Code section 3700.5](#)).

Suspects are required to appear on July 8, 2015, in Alameda County Superior Court, 22405 Amador Street, Dept.-512, Hayward, CA 94544. ([MAP](#))

### UNION CITY

SUSPECT'S NAME CITY OF RESIDENCE	LICENSE CLASSIFICATION	ALLEGED VIOLATIONS
Toan Van Phan Union City	<a href="#">C-27 – Landscaping</a>	Contracting without a license, Illegal advertising
James Tyron Brown Union City	<a href="#">C-33 – Painting and Decorating</a>	Contracting without a license, Illegal advertising
Juan Carlos Gomez Luis San Jose	<a href="#">C-54 – Ceramic and Mosaic Tile</a>	Contracting without a license, Illegal advertising, Excessive down payment
Lamont Demoine Montgomery Stockton	<a href="#">C-33 – Painting and Decorating</a>	Contracting without a license, Illegal advertising

Abel Cervantez Gaytan <i>Hayward</i>	<a href="#">C-54 – Ceramic and Mosaic Tile</a>	Contracting without a license, Illegal advertising
Teodoro Lorenzo Pablo <i>Oakland</i>	<a href="#">C-8 – Concrete</a>	Contracting without a license, Illegal advertising
Balmoris Ramirez <i>Daly City</i>	<a href="#">C-33 – Painting and Decorating</a>	Contracting without a license, Illegal advertising, Displaying a license not issued to him, No workers' compensation insurance

CSLB encourages consumers to always “Check The License First” by visiting [www.cslb.ca.gov](http://www.cslb.ca.gov) or calling its toll-free automated line: 800.321.CSLB (2752). Also, visit CSLB’s website for [tips](#) about how to hire a contractor and to sign up for [CSLB Email Alerts](#).

The Contractors State License Board operates under the umbrella of the [California Department of Consumer Affairs](#). CSLB licenses and regulates 290,000 contractors in California, and is regarded as one of the leading consumer protection agencies in the United States. In fiscal year 2013-14, CSLB helped recover nearly \$51 million in ordered restitution for consumers.

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